



Ministry of Foreign Trade
Republic of Colombia

Colombian Government Trade Bureau

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DATE: Jan. 17/02

TO: Ambassador Robert Zoellick

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(INCLUDING THIS PAGE)

Per request of Amb. L.A. Moreno, I'm sending
information about certain steel products.

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EMBAJADA DE COLOMBIA
WASHINGTON, D.C.

January 10, 2002

Honorable Ambassador Robert Zoellick
United States Trade Representative
600 17th Street, N.W
Washington, DC 20508

THIS DOCUMENT CONTAINS NO PROPRIETARY
INFORMATION (

Re: Certain Steel Products; Comments on Presidential Action

Dear Mr. Zoellick:

Pursuant to the *Notice of request for Comments on What Action the President Should Take Under Section 203 of the Trade Act of 1974*, 66 Fed. 54321 (Oct. 26, 2001) and the *Extension of Deadline for Submission of Responses and Modification to the Earlier Instructions for the Submission of Written Comments*, 66 Fed. Reg. 59599 (Nov. 29, 2001), on behalf of my government allow me to submit several comments regarding the Trade Policy Staff Committee's remedy recommendation for imports in certain steel products manufactured in Colombia.

Andean Trade Preference Act of 1991 - ATPA, covers Colombian Steel products

Since the Andean Trade Preference Act was enacted in 1991, it has been a key element in the counternarcotics strategy of United States in the Andean region, promoting export diversification and broad-based economic development

that provides sustainable economic alternatives to drug-crop production, strengthening the legitimate economies of the beneficiary Andean countries and creating viable alternatives to illicit trade in coca. The Andean Trade Preference Act constitutes a tangible commitment by the United States to the promotion of prosperity, stability, and democracy in the beneficiary countries.

The benefits granted under the Andean Trade Preference Act would obviously be reduced for both Colombia and United States if safeguards were established for ATPA beneficiary products. ATPA grants preferential duty treatment to certain steel products, and the steel industry in Colombia has contributed to create jobs and expand export opportunities in the country. Although Colombian steel products exports are miniscule in the global context, and, in most cases insignificant for the American market, for the Colombian economy the jobs generated by this industry are an important source of licit income.

The International Trade Commission has unanimously recommended that imports from beneficiary countries under the Andean Trade Preference Act should be excluded from remedies. The Trade Policy Staff Committee should similarly advise the President to exclude imports from Colombia, as an ATPA beneficiary country, from any proposed action.

Exports from Colombia

According to data for 2000, Colombian exports to the United States amounting only to \$ 10.6 million could be affected by safeguard measures, corresponding to 24.700

tons and 13 HTS headings, which have entered duty-free under ATPA. Exports originating in Colombia increased just slightly as a share of total U.S. imports, from 0.5 per cent in 1998 to 0.7 per cent in 2000.

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Additionally, taking account of the condition provided in Article 9.1 of the WTO Safeguard Agreement, the majority of Colombian exports of steel products amount to less than 3 per cent of total imports into the U. S. for each HTS heading under investigation. In fact, Colombia's import share averages only 0.4 percent of total U.S. imports for all HTS headings under review.

For the reasons explained above, I respectfully request that the Trade Policy Staff Committee recommend to the President that steel imports from Colombia be excluded from any remedy action.

Respectfully submitted,


Luis Alberto Moreno
Ambassador of Colombia

c.c. Ms. Gloria Blue
Executive Secretary - Trade Policy Staff Committee

Mrs. Peter Allgeier
Deputy USTR

Mrs. Bennet Harman B
Assistant U.S. Trade Representative for Western Hemisphere